

NAVAJO NATION ENVIRONMENTAL PROTECTION AGENCY OFFICE OF THE EXECUTIVE DIRECTOR

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NNEPA, Desert Rock Energy Company to Develop Enforceable Emissions Reduction Plan

WINDOW ROCK, Ariz. – The Navajo Nation Environmental Protection Agency and the Desert Rock Energy Co., LLC, signed a signed a memorandum of understanding to develop enforceable Voluntary Air Emissions Reduction Plan for the proposed Desert Rock Energy Project.

The MOU, which was signed Tuesday, May 15, 2007, initiates the development of plan for the proposed 1,500-megawatt coal-fired power plant near Burnham, N.M.

"NNEPA is pleased with the aggressive proposal to achieve additional emission reductions," said NNEPA executive director, Stephen B. Etsitty. "Desert Rock Energy Company is establishing a high environmental performance standard for regulated facilities on the Navajo Nation, and this is a positive benefit for all residents in the Four Corners region,"

NNEPA is the responsible agency for regulating air emissions from large, major source facilities on the Navajo Nation. Major source facilities operating on the Navajo Nation are now required to apply for a Title V operating permit from NNEPA, pursuant the Navajo Nation Clean Air Act, as amended, and a delegation of authority from USEPA approved in 2004.

Initial limits on air emissions were proposed by the U.S. EPA last year in a draft Prevention of Significant Deterioration permit. Upon approval of a final PSD permit, the Desert Rock Energy Co. would then apply to the NNEPA for a Title V Operating Permit that would incorporate the emission limits from the PSD permit.

Desert Rock Energy Co. is proposing a Voluntary Air Emissions Reduction Plan to establish additional methods to mitigate impacts from sulfur dioxide and mercury emissions by agreeing to reduction potentials compatible with Navajo Nation and regional air quality initiatives.

NNEPA and Desert Rock Energy Co. will now develop effective mitigation options and the most appropriate mechanisms to enforce the voluntary plan. Eventually, NNEPA and Desert Rock Energy Co. will enter into an agreement to address accountability, verifiability, enforceability, and ensures environmental benefits above what is required by regulation or policy.

For more information, please contact Eugenia Quintana, Department Manager, Air & Toxics Department at (928) 871-7800.